



Decision \_\_\_\_\_

**FILED**  
8-12-16  
04:59 PM

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Create a Consistent Regulatory Framework for the Guidance, Planning, and Evaluation of Integrated Distributed Energy Resources.	Rulemaking 14-10-003 (Filed October 2, 2014)
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**INTERVENOR COMPENSATION CLAIM OF NATURAL RESOURCES  
DEFENSE COUNCIL (NRDC) AND DECISION ON INTERVENOR  
COMPENSATION CLAIM OF NRDC**

**NOTE:** After electronically filing a PDF copy of this Intervenor Compensation Claim (Request), please email the document in an MS WORD, supporting EXCEL Timesheets, and any other supporting documents to the Intervenor Compensation Program Coordinator at [Icompcoordinator@cpuc.ca.gov](mailto:Icompcoordinator@cpuc.ca.gov).

<b>Intervenor:</b> NRDC	<b>For contribution to Decision (D.)</b> 16-06-007
<b>Claimed:</b> \$10,478.75	<b>Awarded:</b> \$
<b>Assigned Commissioner:</b> Michel P. Florio	<b>Assigned ALJ:</b> Kelly A. Hymes
I hereby certify that the information I have set forth in Parts I, II, and III of this Claim is true to my best knowledge, information and belief. I further certify that, in conformance with the Rules of Practice and Procedure, this Claim has been served this day upon all required persons (as set forth in the Certificate of Service attached as Attachment 1).	
<b>Signature:</b>	/s/ Merrian Borgeson
<b>Date:</b> 8/12/16	<b>Printed Name:</b> Merrian Borgeson

**PART I: PROCEDURAL ISSUES (to be completed by Intervenor except where indicated)**

<b>A. Brief description of Decision:</b>	This decision updates portions of the Commission's cost effectiveness framework. Changes adopted affect the following areas: cost calculator version control, avoided cost calculator data updates, avoided cost estimation, defining the resource balance year, and defining costs and benefits. While some of the changes are administrative and non-controversial, the decision makes a significant change in the use of the resource balance year. The Commission adopts the practice of estimating avoided generation capacity costs by using long-term costs only (of building generation) rather
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	than both short term costs (based on resource adequacy prices) and long-term costs.
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**B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:**

	Intervenor	CPUC Verified
<b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b>		
1. Date of Prehearing Conference (PHC):	December 5, 2014	
2. Other specified date for NOI:	n/a	
3. Date NOI filed:	January 5, 2014	
4. Was the NOI timely filed?		
<b>Showing of customer or customer-related status (§ 1802(b)):</b>		
5. Based on ALJ ruling issued in proceeding number:	R.14-07-002	
6. Date of ALJ ruling:	December 18, 2014	
7. Based on another CPUC determination (specify):	n/a	
8. Has the Intervenor demonstrated customer or customer-related status?		
<b>Showing of “significant financial hardship” (§ 1802(g)):</b>		
9. Based on ALJ ruling issued in proceeding number:	R.14-07-002	
10. Date of ALJ ruling:	December 18, 2014	
11. Based on another CPUC determination (specify):	n/a	
12. Has the Intervenor demonstrated significant financial hardship?		
<b>Timely request for compensation (§ 1804(c)):</b>		
13. Identify Final Decision:	D.16-06-007	
14. Date of issuance of Final Order or Decision:	June 15, 2016	
15. File date of compensation request:	August 12, 2016	
16. Was the request for compensation timely?		

**C. Additional Comments on Part I (use line reference # as appropriate):**

#	Intervenor's Comment(s)	CPUC Discussion

**II: SUBSTANTIAL CONTRIBUTION (to be completed by Intervenor except where indicated)**

**A. Did the Intervenor substantially contribute to the final decision (see § 1802(i), § 1803(a), and D.98-04-059). (For each contribution, support with specific reference to the record.)**

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
<p><i>(B) Resource Balance Year</i></p> <p><i>(C) Other Technical Issues (Cost/Benefits, Tests, Non Energy Benefits, Avoided Costs)</i></p>	<ul style="list-style-type: none"> <li>• NRDC was a strong advocate for changing the resource balance year, precisely as it was adopted in the decision (D.16-06-007). We also commented substantially on several other technical issues (cost/benefits, tests, avoided costs). <ul style="list-style-type: none"> <li>○ We provided verbal comments on the resource balance year and other technical issues at the Cost-Effectiveness Working Group (CEWG) meetings, which led to the development of the CEWG report.</li> <li>○ We provided formal comments (see March 14, 2016 comments, page 6 on resources balance year and pages 3-5 on other technical issues) and replies (see March 21, 2016 reply, pages 1-2 on resources balance year and page 5 on other technical issues) with the Sierra Club on the CEWG report regarding the resource balance year and other technical issues.</li> <li>○ We also provided reply comments on the resource balance year (see May 31, 2016 reply, pages 1-4) with eight other parties on the proposed decision, which NRDC coordinated on behalf of the stakeholders. These reply comments defended the proposed decision, and the proposed decision was adopted as we suggested.</li> <li>○ Our comments were cited in the decision (D.16-06-007) at pages 15, 17, and 18. Most notably, the decision largely uses the arguments in our comments (cited at 15 and 17) as the basis for the change in the use of the resource balance year.</li> <li>○ We also provided written comments to ED staff on several elements of the</li> </ul> </li> </ul>	

	decision, including a response to the avoided cost questions posed by staff (response provided May 23, 2016)	
<i>(A) Participation in IDER cost effectiveness working group (CEWG)</i>	<ul style="list-style-type: none"> <li>NRDC was an active participant in the CEWG, attending the meetings and providing substantive feedback both in the meetings and via email comments as requested. This participation contributed directly to the report of the CEWG, which informed the decision (D.16-06-007). <ul style="list-style-type: none"> <li>See tracking of meeting hours attended and review of documents described in timesheet. While the CEWG was off the record and therefore no direct citations were included in the decision beyond citing the report CEWG itself, the discussion and substantive comments provided by NRDC contributed to a robust dialogue that informed the final CEWG report.</li> </ul> </li> </ul>	

**B. Duplication of Effort (§ 1801.3(f) and § 1802.5):**

	<b>Intervenor's Assertion</b>	<b>CPUC Discussion</b>
<b>a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?<sup>1</sup></b>	<b>Yes</b>	
<b>b. Were there other parties to the proceeding with positions similar to yours?</b>	<b>Yes</b>	
<b>c. If so, provide name of other parties:</b> Sierra Club, Clean Coalition, Karey Christ-Janer, Robert Bosch LLC, Vote Solar, Comverge, Inc., EnerNOC, Inc., and CPower		
<b>d. Intervenor's claim of non-duplication:</b> NRDC's advocacy was not duplicative as we worked closely with other parties to collaborate and submit joint comments where possible. All calls with other parties were focused on resolving any key issues ahead of time and were kept as brief as possible.  In our joint comments with Sierra Club we divided up responsibilities for writing comments so that we did not duplicate work. In the comments and replies we drafted separate sections to reduce total writing and editing time		

<sup>1</sup> The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

<p>required. We also shared summaries of some of our review of comments, reducing the time needed for review. No time was claimed for administrative functions related to joint comments.</p> <p>We also wrote joint reply comments on the proposed decision with Sierra Club and seven other parties. In this case, NRDC coordinated the group, and Sierra Club and NRDC shared drafting responsibilities for the reply comments and incorporated feedback from the other parties.</p> <p>In addition, NRDC took steps to ensure no duplication of work within our organization by assigning specific issues, tasks, and workshops/meetings to one team member.</p>	
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**C. Additional Comments on Part II (use line reference # or letter as appropriate):**

#	Intervenor's Comment	CPUC Discussion
	The "C" (Other Technical Issues) items were largely consensus items provided by the CEWG and adopted in the decision. NRDC's substantive oral and written contributions shaped the CEWG report, much of which was adopted in the decision (see D.16-06-007 page 3-4).	

**PART III: REASONABLENESS OF REQUESTED COMPENSATION (to be completed by Intervenor except where indicated)**

**A. General Claim of Reasonableness (§ 1801 and § 1806):**

a. Intervenor's claim of cost reasonableness:	CPUC Discussion
<p>NRDC consistently advocates for policies to maximize cost-effective procurement and use of clean energy resources, ensure that the benefits of clean energy resources are properly accounted for, and that policies and goals align to enable the utilities to use clean energy as their first energy resource choice (as required by California law). NRDC's continued focus in this and other proceedings is on policies that ensure a reliable, affordable, and environmentally sustainable energy resource portfolio that should have lasting benefits to customers.</p> <p>NRDC contributed substantially toward this final decision, which makes both minor and major changes to the Commission's cost effectiveness framework. The most significant change made, to significantly alter the use of the resource balance year, was one where NRDC was extensively cited in the decision. Adopting the practice of estimating avoided generation capacity costs by using long-term costs only (of building generation) rather than both short term costs (based on resource adequacy prices) and long-</p>	

<p>term costs will more fairly value and reward Distributed Energy Resources (IDER) for the benefits they provide – enabling California to integrate a wide range of clean energy resources into our system and better meet our climate goals and ensure the most cost effective energy resources will be properly valued thereby reducing overall costs of energy to customers.</p>	
<p><b>b. Reasonableness of hours claimed:</b></p> <p>The substantial contributions to Commission policy described above would not have been possible without the individual contributions of the following staff: 1) Lara Ettenson, who has over ten years of experience, nine of which has been working at the Commission focusing on updating policies, such as cost-effectiveness, provided substantive input and shared responsibilities regarding the CEWG; 2) Merrian Borgeson, who has worked on energy regulatory issues for ten years both as an advocate on behalf of NRDC for the last two years, and as an adviser to Commissions across the U.S. as a scientist at Lawrence Berkeley National Laboratory, provided insights into the need to update the cost effectiveness framework and in particular to change the existing resource balance year policy.</p> <p>The amounts claimed are further conservative for the following reasons: (1) No time is claimed for internal coordination, only for substantive policy development; (2) we do not claim time for substantive review by NRDC staff other than the active staff noted above, even though their expertise was critical to ensuring productive recommendations; and (3) we claim no time for travel.</p> <p>In addition, the rates requested by NRDC are purposefully conservative and low on the ranges approved by the Commission, even though the levels of expertise of would justify higher rates. NRDC maintained detailed time records indicating the number of hours that were devoted to proceeding activities. All hours represent substantive work related to this proceeding.</p> <p>In sum, NRDC made numerous and significant contributions on behalf of environmental and customer interests, required research and analysis. We took every effort to coordinate with other stakeholders to reduce duplication and increase the overall efficiency of the proceeding. Since our work was efficient, hours extremely conservative, and billing rates low, NRDC's request for compensation should be granted in full.</p>	
<p><b>c. Allocation of hours by issue:</b></p> <p><b>A (Participation in IDER cost effectiveness working group) = 23%</b></p> <p><b>B (Resource Balance Year) = 44%</b></p> <p><b>C (Other Technical) = 26%</b></p> <p><b>D (General policy and process work) = 7%</b></p>	

**B. Specific Claim:\***

CLAIMED						CPUC AWARD		
<b>ATTORNEY, EXPERT, AND ADVOCATE FEES</b>								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
M. Borgeson Expert	2015	5	\$180	D.16-01-043	\$900.00			
M. Borgeson Expert	2016	36.25	\$190	D.16-01-043 and ALJ Res 392	\$6887.50			
L. Ettenson Expert	2015	7	\$185	D.15-10-041	\$1295.00			
L. Ettenson Expert	2016	5.5	\$185	D.15-10-041	\$1017.50			
<b>Subtotal: \$10,100.00</b>						<b>Subtotal: \$</b>		
<b>OTHER FEES</b>								
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
n/a					n/a			
<b>INTERVENOR COMPENSATION CLAIM PREPARATION **</b>								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
M. Borgeson Expert	2016	3.5	\$95.00	D.16-01-043	\$332.50			
L. Ettenson Expert	2016	0.5	\$92.5	D.15-10-041	\$46.25			
<b>Subtotal: \$ 378.75</b>						<b>Subtotal: \$</b>		
<b>COSTS</b>								
#	Item	Detail			Amount	Amount		
	n/a				n/a			
<b>TOTAL REQUEST: \$10, 478.75</b>						<b>TOTAL AWARD: \$</b>		
<p>**We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenors' records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate</p>								
<b>ATTORNEY INFORMATION</b>								

Attorney	Date Admitted to CA BAR <sup>2</sup>	Member Number	Actions Affecting Eligibility (Yes/No?)
n/a			

**C. Attachments Documenting Specific Claim and Comments on Part III (Intervenor completes; attachments not attached to final Decision):**

Attachment or Comment #	Description/Comment
Attachment 1	Certificate of Service – attached separately
Attachment 2	Staff Hours and Issue Areas
Comment #1	<p><u>Merrian Borgeson Rate Rationale:</u> Merrian Borgeson is a Senior Scientist at NRDC focusing on renewable energy, energy efficiency, and climate policies. She has worked on energy and environmental policy for ten years, and prior to joining NRDC was a researcher and team lead in the Electricity Markets and Policy group at Lawrence Berkeley National Laboratory. Merrian holds a M.A. in Energy and Resources and an MBA from the Haas School of Business at the University of California, Berkeley.</p> <p>We request a rate of \$180 for 2015 per D.16-01-043 and \$190 for 2016 work, which accounts for a 1.28% COLA per ALJ Res 329 and 5% to account for the first of two allowable adjustments within any given range (D.08-04-010, p.8)</p> <p><u>Lara Ettenson Rate Rationale:</u> Ms. Ettenson was awarded \$185 in D1510041.</p>

**D. CPUC Disallowances and Adjustments (CPUC completes):**

Item	Reason

**PART IV: OPPOSITIONS AND COMMENTS**  
**Within 30 days after service of this Claim, Commission Staff**  
**or any other party may file a response to the Claim (see § 1804(c))**

(CPUC completes the remainder of this form)

<b>A. Opposition: Did any party oppose the Claim?</b>	
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If so:

Party	Reason for Opposition	CPUC Discussion

<sup>2</sup> This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.



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<b>B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?</b>	
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If not:

<b>Party</b>	<b>Comment</b>	<b>CPUC Discussion</b>

### **FINDINGS OF FACT**

1. Intervenor [has/has not] made a substantial contribution to D.\_\_\_\_\_.
2. The requested hourly rates for Intervenor's representatives [,as adjusted herein,] are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses [,as adjusted herein,] are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$\_\_\_\_\_.

### **CONCLUSION OF LAW**

1. The Claim, with any adjustment set forth above, [satisfies/fails to satisfy] all requirements of Pub. Util. Code §§ 1801-1812.

### **ORDER**

1. Intervenor is awarded \$\_\_\_\_\_.
2. Within 30 days of the effective date of this decision, \_\_\_\_\_ shall pay Intervenor the total award. [for multiple utilities: "Within 30 days of the effective date of this decision, ^, ^, and ^ shall pay Intervenor their respective shares of the award, based on their California-jurisdictional [industry type, for example, electric] revenues for the ^ calendar year, to reflect the year in which the proceeding was primarily litigated." ] Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning [date], the 75<sup>th</sup> day after the filing of Intervenor's request, and continuing until full payment is made.
3. The comment period for today's decision [is/is not] waived.
4. This decision is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

## Attachment 2

- A Participation in IDER cost effectiveness working group (CEWG), including reading draft documents  
 B Resource Balance Year  
 C Other Technical (Cost/Benefits, Tests, Non Energy Benefits, Avoided Costs)  
 D General policy and process work

Date	Description	A	B	C	D	Total Hours
<b>Lara Ettenson - 2015 &amp; 2016 Hours</b>						
07/30/15	Participated in kick off meeting	1.25		0.75	2.00	4.00
12/18/15	Participated in the meeting about the resource balance year		3.00			3.00
(hours * rate)	<b>LAE Total Hours 2015 (Claimed \$185/hr)</b>	<b>1.25</b>	<b>3.00</b>	<b>0.75</b>	<b>2.00</b>	<b>7.00</b>
01/13/16	Prepped for CEWG meeting (including reviewing agenda and documents)			0.50		0.50
01/14/16	Attended CEWG meeting (no time claimed for lunch)	1.50		2.50		4.00
01/18/16	Reviewed draft documents (summary document as well as notes)	0.50				0.50
01/18/16	Provided edits/comments on CEWG documents	0.50				0.50
	<b>LAE Total Hours 2016 (Claimed \$185/hr)</b>	<b>2.50</b>	<b>0.00</b>	<b>3.00</b>	<b>0.00</b>	<b>5.50</b>
	<b>TOTAL HOURS</b>	<b>3.75</b>	<b>3.00</b>	<b>3.75</b>	<b>2.00</b>	<b>12.50</b>
(hours * rate)	<b>2015-2016 % issue area</b>	<b>30%</b>	<b>24%</b>	<b>30%</b>	<b>16%</b>	<b>100%</b>
<b>Merrian Borgeson - 2015 &amp; 2016 Hours</b>						
11/23/15	Participated in CEWG organizing call	1.00			1.00	2.00
12/04/15	Prepare responses to ED staff's list of questions for Task 1 of the CEWG	0.50		0.50		1.00
12/07/15	Participated in CEWG organizing meeting to discuss Task 1 process and roles	1.00			1.00	2.00
(hours * rate)	<b>MB Total Hours 2015 (Claimed \$180/hr)</b>	<b>2.50</b>	<b>0.00</b>	<b>0.50</b>	<b>2.00</b>	<b>5.00</b>
3/3/2016	Reviewed final CEWG report in order to prepare comments	0.75				0.75
3/9/2016	Wrote joint comments with the Sierra Club; Sierra Club and NRDC drafted different sections of the comments in order to reduce time required		4.00	1.50		5.50
3/16/2016	Reviewed parties' comments on the CEWG report in order to prepare reply comments		2.50	2.50		5.00
3/17/2016	Wrote joint reply comments with the Sierra Club; Sierra Club and NRDC drafted different sections of the comments in order to reduce time required		2.50	2.00		4.50
3/22/2016	Phase 1 CEWG planning conference call	1.00				1.00
3/29/2016	Prepare for Phase 1 CEWG meeting	0.75				0.75
3/29/2016	Participated Phase 1 CEWG meeting	1.00	1.50	0.50		3.00
4/15/2016	Review documents to prepare for CEWG meeting	1.00				1.00
4/18/2016	Participated Phase 1 CEWG meeting	1.00	1.00	1.00		3.00
5/6/2016	Reviewed proposed decision (PD) - did not end up writing opening comments but discussed issues with other intervenors (no time claimed for those conversations)	0.75				0.75
5/26/2016	Reviewed parties' comments on the PD in order to prepare reply comments		3.00	2.00		5.00
5/27/2016	Coordinated by phone and email with multiple parties to get agreement on joint reply comments, with a focus on resource balance year issues		2.50			2.50
5/27/2016	Wrote joint reply comments with eight other parties; NRDC and Sierra Club were the primary authors and we drafted different sections of the comments in order to reduce time required		3.50			3.50
	<b>MB Total Hours 2016 (Claimed \$190/hr)</b>	<b>6.25</b>	<b>20.50</b>	<b>9.50</b>	<b>0.00</b>	<b>36.25</b>
	<b>TOTAL HOURS</b>	<b>8.75</b>	<b>20.50</b>	<b>10.00</b>	<b>2.00</b>	<b>41.25</b>
(hours * rate)	<b>2015-2016 % issue area</b>	<b>21%</b>	<b>50%</b>	<b>24%</b>	<b>5%</b>	<b>100%</b>